

PEOPLE

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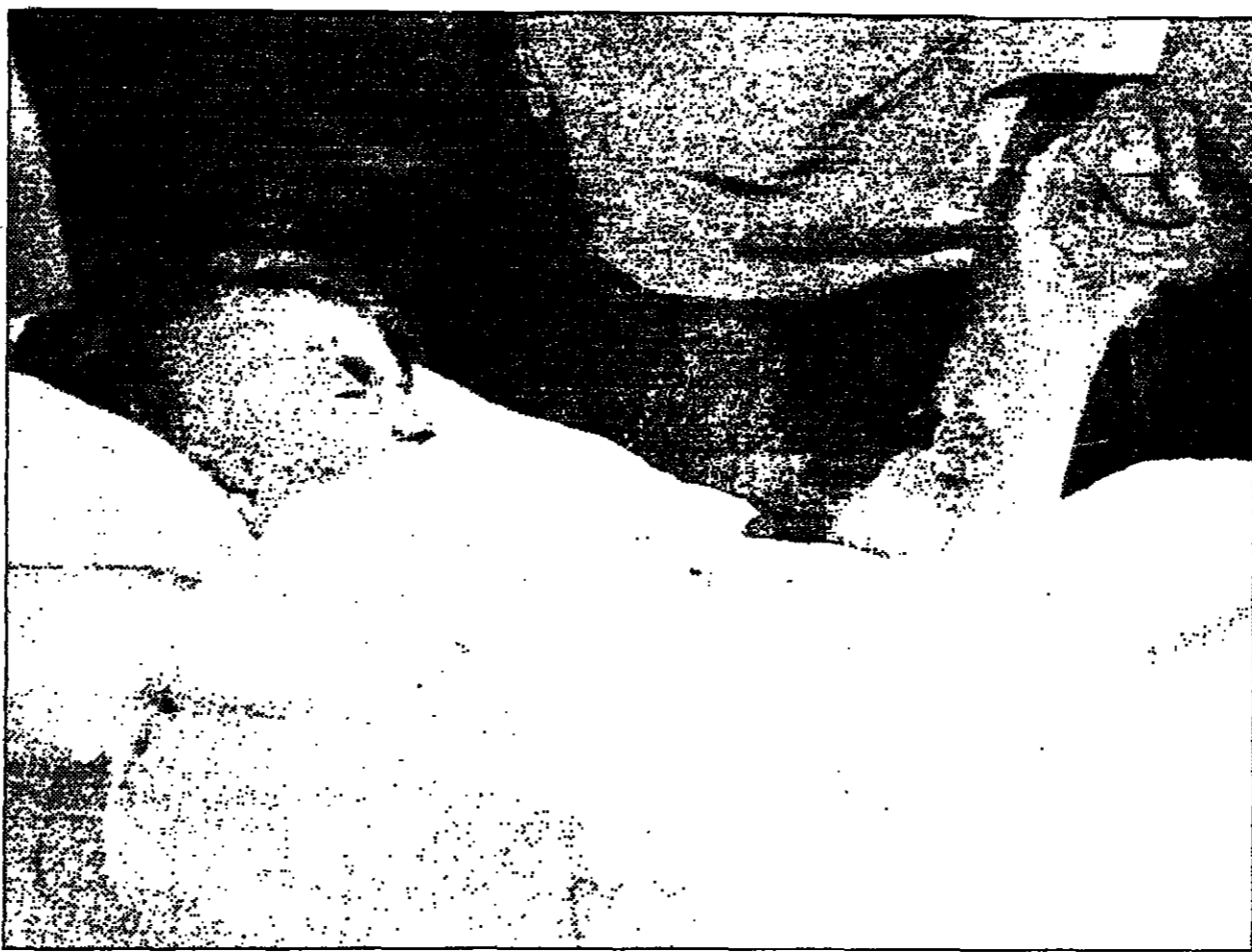
PARIS, SATURDAY-SUNDAY, AUGUST 28-29, 1993

ESTABLISHED 1887

China May Drop Pledge On Arms-Control Pact U.S. Sanctions for Alleged Missile Sales To Pakistan Provoke an Angry Threat

By Lena H. Sun Washington Post Service BEIJING — Promising further strains with the United States, China threatened Friday to end compliance with an important arms control agreement in retaliation for U.S. economic sanctions against Beijing. The sanctions, imposed as punishment for what the United States said was China's sale of missile components to Pakistan, drew a "strong protest" from the Chinese government Friday, the Xinhua press agency reported. Deputy Foreign Minister Liu Huaqing summoned Ambassador J. Stapleton Roy to inform him that China viewed the sanctions as "a naked hegemonic act," the agency reported. "The Chinese government and people express their utmost indignation at such a move on the part of the U.S. government that compromises China's sovereignty, dignity and interests, and puts Sino-U.S. relations in serious jeopardy," Mr. Liu was quoted as saying. "Now that the U.S. side has resumed these sanctions, the Chinese government has been left with no alternatives but to reconsider its commitment to the Missile Technology Control Regime," the official agency also quoted Mr. Liu as saying. He warned that "the U.S. government shall be held fully responsible for all the consequences arising therefrom." The Missile Technology Control Regime is a voluntary arrangement among 18 countries restricting the export of missiles and related technology. China is not a member, but like Argentina, Israel and several other countries, it has agreed to abide by the guidelines. When China announced its decision to comply with the guidelines in February 1992, the Bush administration welcomed the move as a major step forward for arms control cooperation. In return, the United States lifted some sanctions imposed on China in 1991. If China, one of the world's major weapons exporters, follows through with its threat to ignore the provisions of the missile agreement, it will be a major setback for U.S. efforts to halt arms proliferation by other countries. What is more likely, however, is that the announcement was a face-saving gesture designed to show China's anger at what it considers American bullying tactics on issues ranging from arms proliferation to human rights to Beijing's bid to host the Olympics in 2000, according to Western diplomats and analysts. "The Chinese have a vision of themselves as a

responsible nation, and they also have a vision of themselves as a power that doesn't want to be pushed around," a Western diplomat said. "The Chinese are aware that if they start selling ballistic missiles to countries like Syria and Iran, they will be branded 'a real renegade nation,'" said Michael Oksenberg, president of the East-West Center in Honolulu. On Wednesday, the United States announced it had evidence that China had shipped technology for the M-11 missile to Pakistan, an act that the United States says is prohibited by the treaty. The Americans maintain that the missile exceeds the 1,100-pound (500-kilogram) payload and 300-mile (500-kilometer) distance limits set by the treaty. The transfer of such technology would not only set back nonproliferation efforts, but would also fuel instability in South Asia, where both India and Pakistan are seeking to be nuclear powers. As required by current U.S. law, Washington barred for export some high-technology items to China and Pakistan. The Chinese have not denied that certain items were shipped to Pakistan. But Beijing has maintained that it has not breached the specific arms control guidelines. From China's point of view, it is Washington that has broken a pledge. The shipment of missile-related technology that is the source of the dispute took place in December 1992, a few months after the Bush administration announced it was selling F-16 fighter jets to Taiwan. The U.S. decision, motivated by election-year politics to save defense-related jobs, reversed a decade of U.S. policy toward China. Under a 1982 agreement, the United States promised to reduce and eventually phase out arms sales to Taipei as tensions between Taiwan and the mainland eased. Some Western diplomats say they have been told by the Chinese that the sale of the F-16s so angered officials that it became a contributing factor for Beijing's decision to go ahead with exports of missile-related equipment to Pakistan. At the time of the F-16 announcement, China also warned that it might withdraw from arms-control talks, withhold cooperation at the United Nations, and refuse to buy U.S. wheat unless Washington revoked its decision on the jets.



A Muslim girl holding her mother's hand as her stretcher was carried to the UN base at Medjugorje, Bosnia. Croats allowed her and four other wounded children out of Mostar on Friday. The warring factions debated the peace plan in their respective strongholds. Page 5.

NATO Plan: 50,000 Troops for Bosnia

By John Lancaster and Daniel Williams Washington Post Service WASHINGTON — With Bosnian peace talks reaching a critical point, NATO military planners have begun to prepare for the possible deployment of roughly 50,000 peacekeeping troops, including thousands of U.S. infantry soldiers and Marines, according to senior NATO officials. If a peace agreement is reached, the U.S. troops and their NATO counterparts will arrive in Bosnia by rail, road and air, then spread out across the countryside to help maintain order while the country is rebuilt. The size of the American contribution has yet to be determined, but it could reach 20,000 or more, the officials said.

The planning is still in its preliminary stages, since neither the United States nor its allies in the North Atlantic Treaty Organization want to commit specific numbers of troops until there is a workable settlement among Bosnian Serbs, Croats and Muslims. Even then, American and NATO troops could be in for a long and dangerous stay if the parties resumed hostilities. That could prove politically damaging for the Clinton administration, which is already struggling to map an exit for American soldiers from Somalia and preserve its focus on domestic policy. Nevertheless, President Bill Clinton intends to live up to the commitment he made in February to provide U.S. ground troops in support of a peace settlement, American officials said. The administration has with reservations embraced a plan negotiated by European

Community mediators in Geneva that would carve the country into three ethnically distinct republics. "Ground troops are certainly under consideration," a senior administration official said. "We would certainly not rule that out by any means." Peace talks are scheduled to reconvene Monday in Geneva. American officials said that beyond reaching agreement, the three parties would have to take concrete steps — such as impounding heavy weapons and ceasing hostilities — to show they intended to abide by the accord. The United Nations would then authorize the peacekeeping mission, paving the way for deployment of NATO troops. At the same time, American officials do not See DEPLOY, Page 5

Bonn Backs Away From Farm Feud With U.S.

But France Still Expects Chancellor's Support To Renegotiate Treaty

By Brandon Mitchell International Herald Tribune FRANKFURT — Germany appeared Friday to back off from a suggestion that it would side with France to bring new concessions from the United States before signing a new global trade pact. Chancellor Helmut Kohl "did not say we want to renegotiate" the Uruguay Round of the General Agreement on Tariffs and Trade, said Norbert Schäfer, a German government spokesman. Mr. Kohl had agreed on Thursday to work closely with France to find an answer to "enormous problems with the agricultural part" of the Uruguay Round. The trans-Atlantic compromise on cuts in European farm subsidies is called the Blair House pact, named for the guest house in Washington across from the White House. It is the key to the broader accord. "It's news to us to hear that we have problems with Blair House," said the Economics Ministry. Officials in Germany's Foreign and Agriculture ministries were also surprised by Mr. Kohl's comments. Germany's apparent attempt to distance itself from the chancellor's remarks may confuse France, which had already claimed victory in its attempt to sink the unpopular agricultural accord. Jacques Delors of France, president of the European Commission, hailed reports of a new German flexibility by saying Mr. Kohl, in deference to France, had chosen a "grand vision of Europe" over its own domestic interests. [Aides to Prime Minister Edouard Balladur of France shrugged off the apparent weakening of German support over farm trade, saying he had won concessions from Germany regardless of what officials in Bonn were saying. Reuters reported from Paris, "They're playing with words," an aide to Mr. Balladur said.] [The Clinton administration was trying urgently Friday to determine whether Mr. Kohl had actually reneged on Germany's support for the Uruguay Round's farm compromise, but trade officials said if he meant to change European policy, "this would cause grave concern." Lawrence Malkin of the International Herald Tribune reported from New York.] The German agriculture minister, Jochem Borchert, said both countries were studying how to bring the planned farm subsidy cuts into harmony with the European Community's 1992 reform of its Common Agricultural Policy. But Germany never intended to suggest the Blair House deal be reopened, German government sources said. Such negotiations would make it hard to conclude the Uruguay Round of world trade talks on schedule by Dec. 15. "It's hard for me to imagine the government would want to renegotiate anything," said Klaus-Jörg Heyuen, an official with the German Agriculture Ministry in Brussels. Germans sometimes call Mr. Kohl a one-man government because of a tendency to make policy before consulting other officials. The confusion over Mr. Kohl's latest comments, made Thursday after he met with Prime Minister Edouard Balladur of France, overshadowed the image of harmony the two leaders had tried to project. French-German friendship, often described as the axis around which the rest of Europe revolves, has been strained to the breaking point recently over differences on trade and monetary policy. On trade, Germany is trying to balance alliance to the United States world's largest agricultural exporter, and to France, the second-largest. "The Germans are in a difficult position," the conservative daily Frankfurter Allgemeine Zeitung wrote in a front-page editorial. "Especially now, as suspicions of renewed nationalism arise, they want to be seen as good Europeans. But among Europeans, next to the British, they're the most assiduous Atlantic power." Mr. Schäfer, the government spokesman, said Germany's doubts were "not a question of new negotiations of Blair House but a question of how we deal with the difficulties that arise when the agreement comes into force." France See KOHL, Page 11

'Gaza-Jericho' Option Comes to Fore

By Clyde Haberman New York Times Service JERUSALEM — When the Middle East peace talks resume in Washington on Tuesday, Israeli and Palestinian negotiators are expected to discuss mixtures of new and old ideas that have senior officials on both sides speaking optimistically about a possible breakthrough. Perhaps the most talked-about new plan would quickly give the Palestinians authority over the tumultuous Gaza Strip and the quiet West Bank city of Jericho, with Israeli forces pulling back from those areas. More sensitive questions — control over the rest of the West Bank and, thence, yet, the future of Jerusalem — would come later. The "Gaza and Jericho first" idea has been embraced by Yasser Arafat, chairman of the Palestine Liberation Organization, and has qualified support from Foreign Minister Shimon Peres of Israel. But Prime Minister Yitzhak Rabin is said to be highly skeptical, and in the

end he holds the only opinion in the Israeli government that counts. Aides say Mr. Rabin feels that the Gaza-Jericho concept is too broad. Apparently one reason is that he is focused on limited Palestinian self-rule for the two areas, without full Israeli withdrawal, while Mr. Arafat has in mind a ministate, a Gaza-Jericho foothold for eventual full statehood throughout Israeli-occupied territories. Nonetheless, Israeli officials have dropped broad hints of secret meetings with the PLO to produce the outlines of a possible deal. Without spelling out details, Mr. Peres said this week that an agreement was within reach. "I think we have worked out a package deal which is accepted more or less by the Palestinians and us," he said. Reports of the secret Peres meeting, published in varying forms on Friday by several Israeli newspapers, were denied by a spokeswoman See TALKS, Page 5

Somali Security Is the Key Aspin Says U.S. Won't Quit Without It

Compiled by Our Staff From Dispatches WASHINGTON — American combat troops in Somalia will withdraw once security is established in the capital, heavy weapons are out of the hands of warlords and a national police force is set up, Defense Secretary Les Aspin said Friday. In a speech designed to reinforce the American rationale for having deepened involvement in Somalia, Mr. Aspin gave no specific timetable for bringing home U.S. forces, which include about 1,200 combat troops and 2,800 support troops.

He stressed Washington's commitment to the United Nations operation and outlined conditions to be met before American forces withdrew. The danger now is that unless we return security to south Mogadishu, political chaos will follow any UN withdrawal," Mr. Aspin told an audience at the Center for Strategic and International Studies. "The danger we're dealing with here is that the situation will return to what existed before the United States sent in its troops," he said. Senior administration officials have said that an American military presence will be needed in Somalia until the United Nations succeeds in establishing a minimal level of security. President Bill Clinton decided last weekend to send 400 Army Rangers to Somalia to supplement the combat troops already there. Mr. Aspin said the president was determined to "stay the course" until United States and United Nations forces can help the Somalis begin to rebuild their nation. "President Clinton has directed that U.S. forces remain long enough to complete their mission and no longer," Mr. Aspin said. "The completion of the mission chiefly concerns security in Somalia." He cited three main goals: • First, the security issue in south Mogadishu "must be settled." • Second, he said, the United States must "make real progress" toward taking heavy See ASPIN, Page 2

Kiosk

Security Council Lifts Sanctions Against Haiti

UNITED NATIONS, New York (Reuters) — The Security Council voted unanimously on Friday to lift an oil embargo and other sanctions against Haiti because a democratic government is on the verge of replacing the country's military regime. Under a UN-brokered peace plan, sanctions are to be suspended once a new prime minister takes office. Robert Malval, who was chosen by the ousted president, the Reverend Jean-Bertrand Aristide, will be sworn in Monday. But the Security Council left open the possibility of reimposing sanctions.

Table with market data: Dow Jones (Down 7.55, 3,840.83), Trib Index (Up 0.59%, 106.51), The Dollar (New York, 1.894, 1.882; DM, 1.505, 1.51; Yen, 103.80, 104.36; FF, 5.9255, 5.8345)



BACK IN THE SPOTLIGHT — Michael Jackson performing in Bangkok on Friday after a two-day hiatus. In Los Angeles, where the singer is being investigated for child abuse, a 13-year-old boy told investigators their relationship "got out of hand." Page 5.

Prime Time in Shanghai, and Stocks Are the Stars

SHANGHAI — The biggest hit on Shanghai television this year probably won't be a Hong Kong soap opera or even a Taiwan variety show, but a lucky draw for buying shares on the local stock market. Shanghai television executives have given the event prime-time billing on Saturday night — what they call "golden time." This is when Shanghai bettors who have splashed out a staggering 900 million yuan (\$157.5 million) on lottery tickets will find out whether they have won the right to buy shares in companies to be listed this year on the Shanghai Securities Exchange, one of two in China. Despite government attempts to cool speculation on the Shanghai bourse, residents of China's largest city have lost none of their appetite for "winning stocks." "It won't just be the most watched show on television, it will

be a day of tragedy or joy for many people," said the China Securities newspaper under the headline "An Unforgettable Event." A million people — from senior Communist Party officials to local Public Security Bureau operatives — were mobilized to run the lottery. About 180 million tickets, priced at five yuan, were snapped up in five days at sales points across the city. The odds of success have been calculated at 2 in 1,000 — reasonable odds since each winning ticket can buy 500 shares, probably priced around 5 yuan and likely to double or triple in value once they start officially trading. For small operators it is a gamble, but big-time traders who bought tickets in bulk should make a killing. So should the cash-strapped city government, which pockets the proceeds of the lottery. "The money is spent on the handicapped, infrastructure

construction projects, that sort of thing," said a stock exchange spokesman, Wang Huizhong. Beijing's attempts to cool the stock and property markets by tightening bank credit have caused scarcely a ripple of concern in Shanghai, where staff members of the Securities Exchange work overtime in rotation to process 40,000 to 50,000 new account applications each week. Shanghai has 3 million account holders, roughly a million of them residents of the city, which has a population of 13 million. The Shanghai stock market, set up at the end of 1990, is expanding so fast that the original trading floor — in the ballroom of a pre-revolutionary hotel near the famous Bund — can house only a fraction of the members. A second floor of the hotel was commandeered, and now a former tea factory down the road is being refurbished to hold See FORTUNE, Page 13

Taiwan's Aircraft Industry Nears Its Baptismal Deal

TAIPEI — British Aerospace PLC and Taiwan Aerospace Corp. said Friday that they had overcome key financial obstacles to a venture that aims to make Taiwan a player in the world aircraft industry and save British jobs. The companies agreed in January to set up the joint venture to make regional passenger jets, or commuter jets. The manufacture of these planes is considered to be an industry growth area for the 1990s as the world's airlines seek to provide better service on a growing range of short-haul routes. But the partners ran into disagreement over their respective contributions to the venture, as well as over the transfer of technology to Taiwan. Taipei officials said last week that the deal might have to be canceled. The financing agreement was reached after five days of negotiations in Taipei among Earle Ho, chairman of the 29 percent government-owned Taiwan Aerospace; K. S. Liang, chairman of Chiao Tung Bank, and John Cahill, chairman of British Aerospace. The bank chairman said Friday that British Aerospace and Taiwan Aerospace had each agreed to increase its investment by \$200 million to meet the venture's initial capital requirement. A banking consortium headed by Chiao Tung will finance the injection on the Taiwan side, the vice economics minister, Yang Shih-chien, said. See DEAL, Page 12

News reports in Taiwan said the government would dip into its foreign reserves to guarantee the loan. It was unclear how much money would be provided. The banks had earlier demanded that property or other securities be put up as collateral for loans. British Aerospace balked at that suggestion, according to officials in the Taiwan government, leading to the negotiations in Taipei. The January agreement called for the formation of a \$375 million, 50-50 joint venture making the RJ family of four-engine planes in Woodford, England, and Taichung, Taiwan. The companies said they would hold talks in September in Britain over other details, including technology transfer and development of an advanced plane known as the RJX, before signing a final contract. British Aerospace unions were angered by the deal, which led the company to halt production of the jets in Hatfield, England. About 3,000 jobs were eliminated, but the company said thousands of jobs in the Manchester area were preserved by the deal that saves part of the regional passenger jet business. British Aerospace reported a pretax loss of £1.2 billion (\$1.8 billion) for 1992, including a £1 billion charge against earnings for restructuring the regional jet operations. Mr. Yang, Taiwan's vice economics minister, See DEAL, Page 12

STATESIDE / TARGET ENHANCEMENT

★ POLITICAL VOICES ★

Trade Pact Prompting Republican Warfare
WASHINGTON — The tangled politics of the North American Free Trade Agreement have become entangled in Republican Party politics...

One Little Tax Clause Gives Lobbyists Frenzy
WASHINGTON — The ink is still fresh on that \$500 billion package of tax increases and spending cuts that Congress enacted three weeks ago...

Choice for Joint Chiefs Is Son of Nazi Officer
WASHINGTON — The father of General John M. Shalikashvili, President Bill Clinton's choice as the nation's top military commander...



U.S. marshals escorting Sheikh Omar Abdel Rahman to a helicopter in New York after his arraignment in federal court. He has been held in an upstate New York jail since July 2.

The Case Against the Sheikh
Prosecution Evidence Largely Circumstantial

By Pierre Thomas and Lynne Duke
WASHINGTON — Justice Department officials plan to prosecute Sheikh Omar Abdel Rahman and 14 others are charged with conspiring...

SDI Official Admits Making Missile in Test Easier to Hit

By Tim Weiner
WASHINGTON — A retired general who helped oversee a disputed 1984 "star wars" test says the target missile was artificially heated to make it an easier target for a heat-seeking interceptor missile to hit.

Clearly, we heated it because we wanted to see it. People can argue about that, and that's fair. That didn't mean that we were trying to cheat.

Eugene Fox, deputy program manager for the test.
Mr. Weinberger called the assertions fairy tales. He said nothing had been done to deceive Congress or the Soviets about the program or the disputed test.

President Bill Clinton, asked when he planned to return to Washington from vacation on Martha's Vineyard. "As late as possible."

Away From Politics
A retired KGB officer who dealt with Lee Harvey Oswald in Mexico City said he would disclose startling details about President John F. Kennedy's assassin in a book to be published in November.

NEW FALL WINTER COLLECTION ESCADA
Paris left bank. For orders: FAX: (1) 42 84 24 15

Dining Out
COTE SEINE
ANDROUET Restaurant
LE BILBOQUET
PARENTHÈSE "à la garden"
YUGARAJ
LA PETITE CHAISE
THOUMIEUX
KERVANSARAY

How to make an international call without Sprint Express.
How to make an international call with Sprint Express.

1 Get your hands on some of the local currency.
2 Get some change to use in that interesting-looking phone booth on the corner.

3 Through you don't speak the language, try to tell the local operator you want to talk to Sopotowicz, Poland.
4 Dust off your foreign language phrasebook and look for the page on "using the telephone" (it's right after how to say "I have lost our luggage" and "Stop, thief!")

5 Look for the number of the party you're trying to call. Get ready to tell them how successful and relaxing your trip has been so far.
6 Back at the hotel, ask to see your bill. Notice that last night's calls to Fumattino, Trenta have cost you a week's pay. Rather than try to utter one of the few words you know, ask to see your bill. Notice that last night's calls to Fumattino, Trenta have cost you a week's pay.

Table with columns for country, area code, and phone number for Sprint Express international calls.

NEW FALL WINTER COLLECTION ESCADA
Paris left bank. For orders: FAX: (1) 42 84 24 15

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ANDROUET Restaurant
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How to make an international call without Sprint Express.
How to make an international call with Sprint Express.

Bosnia Rivals Face Moment of Truth On Ethnic Partition

By Chuck Sudetic
SARAJEVO, Bosnia-Herzegovina — Members of Bosnia-Herzegovina's parliament on Friday overwhelmingly advocated rejecting a United Nations peace plan...



A Sarajevo youngster taking advantage of a wrecked car to use as a ramp for skateboarding.

Germans Want Treasure Back Russian Plan to Display Artifacts Challenged

BERLIN — German politicians and others have stepped up a campaign to assert their claim to the treasure hoard from the ancient world that the Russians stole during World War II...

Berlin Awaits a Decisive September

By Stephen Kinzer
BERLIN — A series of decisions to be made next month could change the face of Berlin for years to come.

DEPLOY: NATO's Plans for Peacekeeping in Bosnia Envision a Force of 50,000 Soldiers

Continued from Page 1
want to wait too long to judge the effectiveness of any accord, fearing that Serbian forces might take advantage of the delay to resume their attacks.

Yeltsin's Budget Cut Loses, Endangering IMF Aid

By Lee Hockstader
MOSCOW — The Russian Parliament took another step in President Boris N. Yeltsin's plan to slash the budget deficit and calling into question future funding from the International Monetary Fund.

Bonn Says Neo-Nazi Gangs Thrive Despite Crackdown

Los Angeles Times Service
BONN — Racist violence and membership in neo-Nazi gangs has hit a new high in Germany despite a crackdown on the militant right, according to the government.

Magistrates Warn Top Legal Figure In Italy Scandal

MILAN — The first top legal figure to come under inquiry in Italy's graft scandal has been formally warned that he faces investigation over alleged abuse of office, judicial sources said Friday.

PEOPLE OF 58 ACROSS By Tap Osborn

Crossword puzzle grid with clues for 'PEOPLE OF 58 ACROSS' and a solution key at the bottom.

Boy, 13, Tells of Sexual Acts by Jackson

LOS ANGELES — A 13-year-old boy who claims that Michael Jackson sexually molested him has told the authorities that the entertainer warned the boy there would be trouble if the acts were revealed.

TALKS: Weighing the 'Gaza and Jericho First' Plan

Continued from Page 1
for the Foreign Ministry, but only in regard to specific PLO figures mentioned in print.

OPINION

Herald Tribune

Published With The New York Times and The Washington Post

It's Time for a New U.S.-European Strategic Bargain

By Ronald D. Asmus, Richard L. Kugler and F. Stephen Larrabee

China Is Properly Punished

Clearly and unquestionably, the United States is right to impose sanctions on China for breaking its pledge not to export missile technology...

The Sheikh's Indictment

Attorney General Janet Reno surely made a popular call when she approved the indictment of Sheikh Omar Abdel Rahman and 14 others on charges of conspiring "to levy a war of urban terrorism against the United States..."

Massacre in the Rain Forest

The details remain sketchy, necessarily so. It was only in the 1970s that Brazil's Yanomami Indians came into contact with the modern world...

Other Comment

A Bright Side for NASA

Hardly anyone in the National Aeronautics and Space Administration would agree, but the apparent failure of its mission to Mars could have beneficial effects in the long run...

SANTA MONICA, California — Whether Europe unravels for a third time this century depends on whether the West summons the political will and strategic vision to address the crises of potential instability and conflict before it is too late...

NATO would be transformed from an alliance based on collective defense to one dedicated to projecting stability, democracy and crisis management.

First, conflict in the area is increasingly generated by antidemocratic and anti-Western ideologies that threaten the liberal-democratic foundations of Western Europe...

Second, conflict and insecurity in the two areas are unlikely to be neatly isolated or contained. Spillover, in the form of political and economic instability and refugees, is a real danger.

Third, while local conflicts may escalate into regional wars, instability in such geopolitically sensitive areas also threatens to draw in one or several major powers who see their own interests threatened.

Clinton Does Have a Clear Foreign Policy: Just Ask Butros Ghali

By Jeane Kirkpatrick

NEW YORK — "What is our purpose?" the Senate minority leader, Bob Dole, asked of the latest U.S. commitment of troops to Somalia...

Confused, Ad Hoc and Unexplained

By Richard Cohen

WASHINGTON — On Nov. 7, 1961, the No. 3 man at the State Department, George Ball, warned President John F. Kennedy against his plan to send a large number of troops to Vietnam...

Like Kennedy, Clinton is taking steps overseas without seeming to know just where he is going.

In a sense, Mr. Kennedy had it easy. Back then, America was fighting the Soviet Union and communism. The foe today is more amorphous, no single entity, it consists of international terrorism and resurgent nationalism...

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: A Grouse Fallacy

LONDON — A paragraph has gone the rounds of the papers which states that the grouse shooting on the Queen's moors has been postponed until after the arrival of the Court at Balmoral...

1943: Headhunters' Help

THE INDIA-BURMA JUNGLE — [From our New York edition] Eric Sevareid reports: "Burmese jungle headhunters, every one of them a primitive killer, saved our lives when 20 of us leaped by parachute from a crippled United States transport plane three weeks ago today [Aug. 23]. I am grinding this up on a hand-cranked wireless set dropped to us by one of the rescue planes of the Air Transport Command. We are in the middle of a village of aborigines perched atop one of the 6,000-foot mountains."

1918: Passing the Baton

PARIS — The President of the Republic on Friday [Aug. 23] handed to Marshal Foch the marshal's staff, which is the symbol of supreme military command. Upon a grand blue (bleu de France) velvet, round blue bears thirty chased gold stars. On one of the ends, which are also in chased gold, is engraved the new marshal's name and the date of his appointment...

International Herald Tribune advertisement listing staff members like Katharine Graham, Arthur Ochs Sulzberger, and Richard McLean.

NYSE

Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

| Symbol | Price | Change |
|--------|--------|--------|
| IBM | 115.00 | +0.25 |
| MSFT | 45.00 | +0.12 |
| ORCL | 48.00 | +0.10 |
| INTL | 12.00 | +0.05 |
| DISC | 25.00 | +0.08 |
| WALD | 18.00 | +0.03 |
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| GOOG | 20.00 | +0.05 |

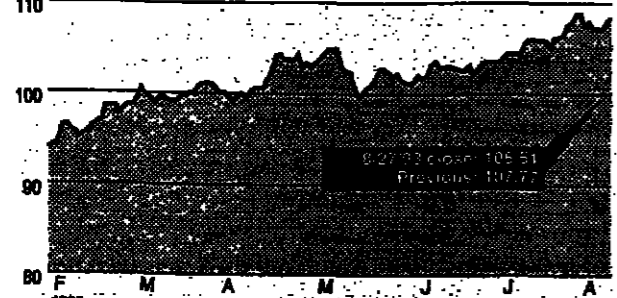
| Symbol | Price | Change |
|--------|--------|--------|
| IBM | 115.00 | +0.25 |
| MSFT | 45.00 | +0.12 |
| ORCL | 48.00 | +0.10 |
| INTL | 12.00 | +0.05 |
| DISC | 25.00 | +0.08 |
| WALD | 18.00 | +0.03 |
| AMZN | 15.00 | +0.02 |
| GOOG | 20.00 | +0.05 |
| MSFT | 45.00 | +0.12 |
| ORCL | 48.00 | +0.10 |
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| AMZN | 15.00 | +0.02 |
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THE TRIB INDEX: 108.51

International Herald Tribune World Stock Index is composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Asia/Pacific Europe N. America
Approx. weighting: 25% Approx. weighting: 40% Approx. weighting: 35%



Table with 4 columns: Sector, P1, P2, P3, % change. Rows include Energy, Utilities, Finance, Services, and Miscellaneous.

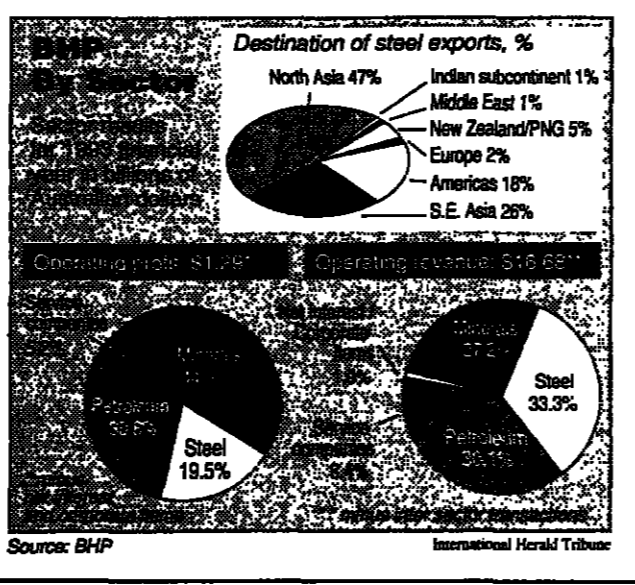
ECONOMIC SCENE

India Cuts the Red Tape Tying Up Its Economy

By Peter Pissell
NEW YORK — The economy underperformed for decades, hobbled by government planners whose careers depended on the continuing worship of false prophets. National savings rates had always been high. But much of the money had been squandered on subsidies for hopelessly inefficient state monopolies and grandiose public investments to feed the egos of bureaucrats and generals.

BHP Looks Offshore for Growth Vietnam Oil Project Signals Broadened Horizons

By Michael Richardson
MELBOURNE — Extensive drilling started recently by BHP's subsidiary, BHP Petroleum, to define the full extent of oil and gas reserves in the Dai Hung field off the coast of southern Vietnam has signaled that Australia's largest company is embarking on an aggressive international expansion program.



VW Sweep Nets A Mass of Data For Prosecutors

Compiled by Our Staff From Dispatches
FRANKFURT — German prosecutors investigating allegations of industrial spying at Volkswagen AG said Friday they had seized a large amount of documents and computer material in a search of VW offices.

Easing Likely of Computer Export Curbs

By John Markoff
NEW YORK — In a review that is likely to lead to substantial liberalization in the control of computer exports, the U.S. Commerce Department has found machines widely available internationally that are five times as powerful as the current international export limits.

Stocks Jump To Records In Europe

Compiled by Our Staff From Dispatches
LONDON — European equities ended Friday at or within sight of record highs, spurred on by renewed hopes of noninflationary growth.

After the Acquisition: Lost in Space, Besieged on Earth Sony Snags the Wrong Starring Roles

By Alan Citron
LOS ANGELES — The most popular soap opera in Hollywood these days isn't "Days of Our Lives" or any of the other popular American titles. It's called Sony Corp. of America, and it boasts a dream cast: Michael Jackson, Heidi Fleiss, Woody Allen, Arnold Schwarzenegger and others too numerous to mention.

Martin Marietta's Cosmic Breakdown

By John Mintz
WASHINGTON — Five months ago, when it bought GE Aerospace for \$3 billion, Martin Marietta Corp. was widely praised as brilliant and forward-thinking.

CURRENCY & INTEREST RATES

Table with multiple columns: Cross Rates, Eurocurrency Deposits, Key Money Rates, and Forward Rates. Includes data for various currencies and interest rates.

GM Sells Group Lotus To Bugatti of Italy

Bloomington Business News
DETROIT — General Motors Corp. said Friday that it had sold its Group Lotus subsidiary and Lotus Cars U.S.A. to the Italian automaker Bugatti International for an undisclosed sum.

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MARKET DIARY

Bond Pullback Lets Air Out of Stocks

NEW YORK — U.S. stocks slipped Friday as a slide in bond prices prompted investors to cash in on the market's gains from its record-setting August rally.

N.Y. Stocks

high of 3,652.09 on Wednesday, lost 7.55 points to 3,640.63 on Friday. Declines topped advances by an 8-to-7 ratio on the New York Stock Exchange. Big Board volume was a slow 197 million shares.

The Dollar's Decline Resumes Against Yen

NEW YORK — The dollar fell Friday against the yen amid sales by U.S. investors and Japanese exporters, traders said.

Foreign Exchange

test the Federal Reserve's resolve to defend the U.S. currency, traders said. The Fed repeatedly bought dollars with yen on Aug. 19 to prop up the dollar two days after it hit a postwar low of 100.35 yen.

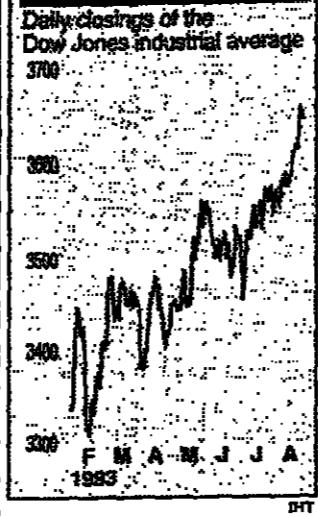
Devaluation by Poland

Poland's central bank devalued the zloty by about 8 percent against a basket of five currencies Friday and by 7 percent against the dollar, Reuters reported from Warsaw, to try to boost exports and reduce a \$1.1 billion trade deficit.

WORLD STOCK MARKETS

Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Paris, Sao Paulo, Singapore, Stockholm, Toronto, Zurich, and others. Columns include stock names, prices, and changes.

The Dow



Daily closings of the Dow Jones industrial average

Dow Jones Averages

Table of Dow Jones Averages including Industrial, Chemical, Utility, and Composite indices with their respective high, low, close, and change values.

Standard & Poor's Index

Table of Standard & Poor's Index with high, low, close, and change values.

NYSE Indexes

Table of NYSE Indexes including Composite, Industrial, and Utility indices.

NASDAQ Indexes

Table of NASDAQ Indexes including Composite, Industrial, and Utility indices.

AMEX Stock Index

Table of AMEX Stock Index with high, low, close, and change values.

Dow Jones Bond Average

Table of Dow Jones Bond Average including 20 Bonds, 10 Utilities, and 10 Industrials.

Market Sales

Table of Market Sales including NYSE 4 a.m. volume, NYSE prev. close, and other market data.

N.Y.S.E. Odd-Lot Trading

Table of N.Y.S.E. Odd-Lot Trading including volume and price data.

S&P 100 Index Options

Table of S&P 100 Index Options including call and put options for various strike prices.

NYSE Diary

Table of NYSE Diary listing various stocks and their prices.

Amex Diary

Table of Amex Diary listing various stocks and their prices.

NASDAQ Diary

Table of NASDAQ Diary listing various stocks and their prices.

EUROPEAN FUTURES

Table of European Futures including Food, Metals, and Stock Indexes.

Food

Table of Food futures including White Sugar, Coffee, and Cocoa.

Metals

Table of Metals futures including Aluminum, Copper, and Zinc.

Stock Indexes

Table of Stock Indexes including FTSE 100, Nikkei, and DAX.

Spot Commodities

Table of Spot Commodities including Wheat, Corn, and Soybeans.

Dividends

Table of Dividends for various stocks.

Financial

Table of Financial futures including Treasury Bonds and Treasury Notes.

Industrials

Table of Industrials futures including Crude Oil, Natural Gas, and Heating Oil.

Grains

Table of Grains futures including Wheat, Corn, and Soybeans.

Wheat (CBOT)

Table of Wheat (CBOT) futures for various grades and contracts.

Wheat (KCBT)

Table of Wheat (KCBT) futures for various grades and contracts.

CORN (CBOT)

Table of CORN (CBOT) futures for various grades and contracts.

SOYBEANS (CBOT)

Table of SOYBEANS (CBOT) futures for various grades and contracts.

SOYBEAN MEAL (CBOT)

Table of SOYBEAN MEAL (CBOT) futures for various grades and contracts.

SOYBEAN OIL (CBOT)

Table of SOYBEAN OIL (CBOT) futures for various grades and contracts.

SOYBEAN OIL (KCBT)

Table of SOYBEAN OIL (KCBT) futures for various grades and contracts.

Livestock

Table of Livestock futures including Cattle, Hogs, and Pigs.

CATTLE (CME)

Table of CATTLE (CME) futures for various grades and contracts.

HOGS (CME)

Table of HOGS (CME) futures for various grades and contracts.

U.S. FUTURES

Table of U.S. Futures including Treasury Bonds, Treasury Notes, and Treasury Inflation-Protected Securities.

Grains

Table of Grains futures including Wheat, Corn, and Soybeans.

Wheat (CBOT)

Table of Wheat (CBOT) futures for various grades and contracts.

Wheat (KCBT)

Table of Wheat (KCBT) futures for various grades and contracts.

CORN (CBOT)

Table of CORN (CBOT) futures for various grades and contracts.

SOYBEANS (CBOT)

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SOYBEAN MEAL (CBOT)

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HOGS (CME)

Table of HOGS (CME) futures for various grades and contracts.

PORK BELLIES (CME)

Table of PORK BELLIES (CME) futures for various grades and contracts.

Metals

Table of Metals futures including Aluminum, Copper, and Zinc.

IN GRADE COPPER (COMEX)

Table of IN GRADE COPPER (COMEX) futures for various grades and contracts.

PLATINUM (NYMEX)

Table of PLATINUM (NYMEX) futures for various grades and contracts.

Gold (COMEX)

Table of Gold (COMEX) futures for various grades and contracts.

Financial

Table of Financial futures including Treasury Bonds and Treasury Notes.

U.S. TREASURY (CBOT)

Table of U.S. TREASURY (CBOT) futures for various grades and contracts.

A Plan to Block NAFTA

WASHINGTON (NYT) — In a blow to President Bill Clinton and the prospects for the North American Free Trade Agreement, the Democratic whip of the House of Representatives said that he will use the resources of the whip's office to oppose the pact.

Mr. Bonior said that the absence of a Democratic consensus left him free to use the whip's office however he chose. "There's no official position in our caucus here—we're free to do what we want," he said.

FBI Probe Hits National Medical

SANTA MONICA, California (Bloomberg) — National Medical Enterprises Inc. shares fell as much as 30 percent Friday after federal agents searched its facilities in a criminal investigation of its billing practices.

Medicaid Fraud Inquiry Widens

WASHINGTON (Bloomberg) — A federal probe into abuses of Medicare and Medicaid claims widened Friday, as three companies that provide medical tests to doctors said they had been subpoenaed.

Chrysler Makes an Offer to UAW

HIGHLAND PARK, Michigan (AP) — Chrysler Corp. gave the United Auto Workers its opening contract proposal Friday as the union neared a self-imposed deadline for selecting one of the Big Three automakers for pattern-setting talks.

For the Record

Prudential Insurance Co. of America said it would cut about 900 of the 4,700 jobs in the Minneapolis-St. Paul area by 1995 as part of reorganization of its regional group health-insurance operations.

Northern Telecom Ltd.'s long-term senior debt rating was lowered to A2 from A3 by Moody's Investors Service. About \$1.6 billion of debt is affected by the downgrade.

U.S. FUTURES

Large table of U.S. Futures including Treasury Bonds, Treasury Notes, Treasury Inflation-Protected Securities, Grains, Livestock, Metals, and Financial.

Ads Cater to Wary East Germans Just the Facts, Please, in a World Without Yuppies

By Rick Atkinson
Washington Post Service

DRESDEN — He stares at you with a face that invites you to stare back: pursed lips, shaved head and — most intriguing in nearly all-white Germany — black skin. The caption above the photograph reads simply, "A Saxon."

This advertisement for a local newspaper in the state of Saxony in Eastern Germany won national advertising honors recently because it potently conveyed two messages.

The first is that, despite xenophobic violence, there is a rightful place in German society for minorities such as Sam Njamkono Maffine, the 23-year-old policeman born in Saxony whose face graces the ad.

The second is that there is something unique about the former communist East, something to be proud of, something only a local paper can fully understand. With such unbridled parochialism, the ad reflects an attempt to figure out what makes East German consumers tick.

The answer, advertising and marketing executives say, is that a new brand of consumerism has developed in the East. Three years after their abrupt conversion from socialism to capitalism, many Easterners have long since outgrown the naive presumption that a product was superior simply because it was made in the West. Many ad campaigns now attempt either to exploit a resurgent pride in things Eastern or to cater to demands for direct, informative phrasing without the slick veneer of Western sophistication.

Immediately after German reunification in 1990, there was an assumption by some marketing experts that advertising was hardly necessary. Demand was so great in the five new Eastern states that Western products sold themselves.

Rejoining a country where consumption is a national passion, the 16 million Easterners went on buying lings.

"They bought insurance policies that were unnecessary, or they paid 60 percent more for a used car than we were paying in the West," said Peter Haller, co-owner of Serviceplan Advertising Agency in Munich. "Now they're disappointed and skeptical."

Along with a new wariness, Eastern consumerism shows a new complexity. A report published in May by the Heinrich Heine marketing firm noted that Easterners wanted ads that were exact, informative and "absolutely credible" — but they do not want to be patronized.

Advertisers have tried several tactics to accommodate these sensibilities. One approach is called "ad splitting," peddling the same product with different pitches to different markets.

The insurance concern HUK-Coburg, for example, developed a plain-print ad for Eastern Germany that contained 10 paragraphs of information and detailed instructions on how to contact the company. A corresponding HUK ad in the West showed a yuppie couple surrounded by bourgeois trappings, along with two sentences of information and the casual notation that the firm could be found in any phone book.

Other campaigns try to capitalize on resurgent Eastern pride — a growing nostalgia for the good old East — or the resentment many feel toward their Western cousins. Club Cola, a survivor from communist days, reappeared with the slogan: "Hurrah, I'm still alive... Club Cola. Our Cola."

Both ad-splitting and "buy Eastern" appeals can be tricky. Ninety percent of those surveyed in one focus group last spring rejected the need for special advertising, which was seen as a discriminatory affront.

"They notice if you have one campaign for the 'strapped ones' in the East and a different campaign for the 'sophisticated ones' in the West," said Thomas Hellman, managing director of Scholz & Friends agency in Berlin.

Bundesbank Reassures on Interest Rates

Compiled by Our Staff From Despatches

FRANKFURT — The Bundesbank's chief economist, Otmar Issing, said Friday that he expected inflation in Western Germany to slow noticeably, and indicated interest rates would be still headed lower.

"Prices are dropping slowly but are moving in the right direction," said Mr. Issing, who is a member of the central bank's directorate.

West German inflation, at an annual rate, slowed to 4.2 percent in August from 4.3 percent in July, according to the Federal Statistics Office.

But Mr. Issing stressed in an interview on German television that the annual rate, measured over the past three months, had dropped below 3 percent, and he said this was a positive development.

"There is good reason to be optimistic about inflation developments," Mr. Issing said, citing a slowdown in the growth of German wage costs.

Lombard rates unchanged at 6.75 percent and 7.75 percent after Thursday's central council meeting.

"In the current situation in West Germany, in the recession, the direction of monetary policy moves is preset. Open is when and at what time we take the relevant steps," Mr. Issing said.

He said one reason for the Bundesbank's inaction Thursday was a concern over the strong growth in M-3 money supply last month. July's M-3 expanded at an annual 7.5 percent rate from its fourth-quarter base, compared to a 7.0 percent rise in June.

But Mr. Issing said the July figure appeared to be no great cause for concern, because it was swollen by short-term economic credit particularly for investment in Eastern Germany.

Meantime, the Bundesbank on Friday fed liquidity into the money market at 6.9 percent, slightly higher than the rate of 6.8 percent at the previous repurchase tender. But most money-market dealers considered the move merely a technical one aimed at loosening a tight money market.

2d Brewer Recalls Bottles Made in Dutch Factory

Compiled by Our Staff From Despatches

LIESHOUT, Netherlands — A second Dutch brewer said Friday that it had found glass splinters in bottles of export beer, and that the bottles had been made in the same factory as those recalled Thursday by Heineken.

Bavaria BV said it had found the splinters during a quality control check and was withdrawing 2.2 million bottles from sale in France, Italy, Spain and Britain. About half of the affected lot had not yet left Bavaria's warehouses.

The bottles are made by Verceingde Glasfabrieken de Schiedam, a Dutch company majority-owned by Groupe BSN of France.

BSN shares dropped 12 francs to 916 in late Paris trading.

quoting the Dutch company's managing director, Jan Willem van Busel, as saying it had warned two other brewers, Grooth NV and Oranienboom, about bottles delivered to them.

Earlier in the day, Heineken NV, the world's second-largest brewer, had said it would demand that Verceingde Glasfabrieken meet all costs of Heineken's withdrawal of 17 million bottles of export brew from eight countries.

Small glass chips from a rim in the neck of affected bottles could drop into the beer when bottles are opened or transported, Heineken said. Mainly invisible, the glass shards found in a routine check are unlikely to cause injury, according to Amsterdam's AMC hospital.

KOHL: Bonn Officials Suggest Germany Won't Drop Trade Agreement

Continued from Page 1

has promised to come up with new proposals next week to address the dispute.

In Geneva, GATT said that its general director, Peter Sutherland, would see coming meetings with Mr. Kohl and Mr. Balladur to seek support on concluding the Uruguay Round.

Mr. Sutherland is to call on the German economy minister, Günter Rexrodt, and the foreign minister, Klaus Kinkel, on Tuesday before addressing the Federation of German Industry that might. He is then to meet Mr. Borchert and Mr. Kohl on Wednesday before traveling to Paris to meet Mr. Balladur on Sept. 8.

It was not clear whether Mr. Sutherland would see Foreign Minister Alain Juppé of France, who has called for modifying Blair House.

Paris Hesterted by Talks

Aides to Mr. Balladur, who left Paris for a weekend at his summer home in the French Alps, said an important corner had been turned in the prime minister's talks with Mr. Kohl. Reuters reported from Paris.

"Something very important happened yesterday," one aide said. "In any case, there's no

choice. Otherwise there will be a crisis, and the Germans don't want a crisis."

The French Foreign Ministry called the meeting between Mr. Balladur and Mr. Kohl meeting very positive. "It showed once again the solidity of Franco-German relations and the willingness to find common solutions to problems," a ministry spokesman said.

The consensus in the French press was that Mr. Balladur had won important concessions from Mr. Kohl. The daily Le Monde said Mr. Kohl had "made a conspicuous gesture to make Europe's return from holiday less alarming."

Lou Gouyon, head of France's biggest farm union, known as FNSEA, was cautious. "It's a positive first step, but it's not enough because we must convince our other EC partners that the Blair House accord has to be renegotiated," he said in a French television interview.

Concern in Washington

Lawrence Malin reported from New York: In a statement attributed to a senior trade official, the office of the U.S. trade representative, Mickey Kantor, said "it is unclear to us at this time" whether Mr. Kohl's statements in Berlin meant that the European Community was considering a change in its support for the

deal to reduce farm supports that was struck at Blair House.

"The EC must recognize that Blair House was, itself, a painful compromise and that many U.S. farm groups would like even deeper cuts in EC subsidies," the brief statement said. "Re-opening this issue poses the serious risk of unraveling the Uruguay Round and reviving the oilseeds dispute. We feel certain that the EC will live up to its agreements."

Independent U.S. trade experts suspected and even hoped that Mr. Kohl might have said one thing to mollify Paris while maintaining his support for the compromise. Nevertheless, said Gary Hufbauer of the Institute for International Economics in Washington, "I had a sort of sinking feeling when I read it in the papers this morning."

He said that American agricultural interests were only able to get "the best of a bad deal" out of the compromise, and if it came apart were certain to push for a faster phasing out of agricultural subsidies than the present period of six to eight years.

"This would be a bone in the throat of the agricultural community," he said. "After the Tokyo summit, we thought we were really making progress and the stage was finally set for a trade agreement. I hope it's still on."

Investor's Europe

| Frankfurt DAX | London FTSE 100 Index | Paris CAC 40 |
|---------------|-----------------------|--------------|
| 3100 | 2000 | 2100 |
| 2000 | 1500 | 1600 |
| 1500 | 1000 | 1100 |
| 1000 | 500 | 600 |
| 500 | 0 | 0 |
| 1993 | 1993 | 1993 |

| Exchange | Index | Friday Close | Prev. Close | % Change |
|-----------|--------------------|--------------|-------------|----------|
| Amsterdam | CBS Trend | 128.10 | 127.50 | +0.47 |
| Brussels | Stock Index | 6,763.58 | 6,819.80 | -0.97 |
| Frankfurt | DAX | 1,904.60 | 1,901.15 | +0.18 |
| Frankfurt | FAZ | 734.83 | 735.83 | -0.14 |
| Helsinki | HEX | 1,421.75 | 1,433.91 | -0.85 |
| London | Financial Times 30 | 2,413.00 | 2,393.60 | +0.81 |
| London | FTSE 100 | 3,100.60 | 3,079.20 | +0.69 |
| Madrid | General Index | 302.71 | 294.94 | +2.63 |
| Milan | MIB | 1,379.00 | 1,371.00 | +0.58 |
| Paris | CAC 40 | 2,183.88 | 2,173.61 | +0.47 |
| Stockholm | Affarsvaeriden | 1,507.62 | 1,487.05 | +1.38 |
| Vienna | Stock Index | 437.46 | 438.76 | -0.30 |
| Zurich | SBS | 650.00 | 650.00 | Unch. |

Sources: Reuters, AFP

Very briefly:

- A Milan court confirmed the seizure of 500 billion lire (\$312 million) worth of assets of former executives of Montedison SPA, the debt-laden agro-industrial and chemical group; those involved are Giuseppe Garofano, Carlo Sama, Arturo Ferruzzi, Roberto Magnani, Romano Venturi and the estate of Raul Gardini, who committed suicide in July.
- SCA AB said net profit for the six months to June 30 grew sevenfold to 386 million kronor (\$47.3 million), and that it would sell 1.4 billion kronor of new shares to existing holders to help finance a 3 billion kronor investment in graphic-paper production in Britain, Sweden and Australia.
- Zeneca PLC, the pharmaceuticals spin-off of Imperial Chemical Industries PLC, said it had won approval for British general practitioners to prescribe its Zestril drug for the treatment of congestive heart failure.
- Kanflod Holding AG, a German retailer, said it expected 1993 group net earnings to exceed 1992's 23.4 million Deutsche marks (\$134 million).
- Kornadt AG, another German retailer, said sales and profit during the first half were below expectations and it saw no improvement in the second half.

IG Metall Seeks Talks on Jobs

FRANKFURT — Germany's largest union, IG Metall, called Friday for talks among politicians, auto-industry leaders and union officials on the future of the country's car industry.

"We would like to meet with important representatives of industry and politics at one table to discuss the problems of the industry," the union's acting president, Klaus Zwickel, said at a news conference.

Of the estimated 1.7 million jobs that depended on the German car industry in 1991, about 100,000

NASDAQ Friday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities on a given day. It is updated twice a year.

| 12 Month High | 12 Month Low | Div | Yld | PE | 100s | High | Low | Latest | CY92 |
|---------------|--------------|------|-----|----|------|------|-----|--------|------|
| 110 | 100 | 1.25 | 4.8 | 25 | 100 | 105 | 102 | 104 | 103 |

| 12 Month High | 12 Month Low | Div | Yld | PE | 100s | High | Low | Latest | CY92 |
|---------------|--------------|------|-----|----|------|------|-----|--------|------|
| 110 | 100 | 1.25 | 4.8 | 25 | 100 | 105 | 102 | 104 | 103 |

| 12 Month High | 12 Month Low | Div | Yld | PE | 100s | High | Low | Latest | CY92 |
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|---------------|--------------|------|-----|----|------|------|-----|--------|------|
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| 12 Month High | 12 Month Low | Div | Yld | PE | 100s | High | Low | Latest | CY92 |
|---------------|--------------|------|-----|----|------|------|-----|--------|------|
| 110 | 100 | 1.25 | 4.8 | 25 | 100 | 105 | 102 | 104 | 103 |

NYSE Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 17 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stock prices and market data.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stock prices and market data.

DEAL: Taiwan Nears Its Goal of Making Aircraft for the World Market

Continued from Page 1. The deal also aims to help British Aerospace spread the risk of aircraft development and production. The stock market seemed to like Friday's announcement, bidding British Aerospace's shares up 4 pence, to a close of 432 pence a share.

analysts are skeptical about British Aerospace's long-term prospects in the regional-jet business. Sales of its BAe 146 and that plane's successor, the RJ, fell 21 last year from 27 in 1991, and the company sold only eight jets in the first six months of this year, according to Aviamark.

Table with columns: 17 Month High, Low, Stock, Div, Yld, PE, High, Low, Last, Change. Lists various stock prices and market data.

INTERNATIONAL FUNDS

Continuation of fund listings from previous page.

INTERNATIONAL FUNDS

Continuation of fund listings from previous page.

Large table of international fund listings with columns for fund name, share price, and other details. Includes sections for various regions and fund types.

Large table of international fund listings with columns for fund name, share price, and other details. Includes sections for various regions and fund types.

Sega Hopes to Cash In on Illusion

Games Maker Sets Big Expansion in 'Virtual Reality'

Bloomberg Business News
TOKYO—Sega Enterprises Ltd. is gambling on a bold spending plan while just about everyone else here is cutting back or sitting tight.
The most painful recession to hit Japan in decades has frightened most Japanese companies into delaying new ventures and cutting back on research and development.
But Sega is plowing some of its huge earnings from its computer and arcade-games businesses — its group net profit edged 147 percent to 30.76 billion yen (\$293.4 million) last year — into R&D, and trying to push back the boundaries of the amusement industry in the process.
The 33-year-old company is also breaking some of the unwritten commandments of Japanese business. It is building market share by cooperating with, rather than fighting, foreign companies, stealing top executives from other Japanese companies, and rewarding investors with big dividends.
Sega says its goal is to revolutionize the way people spend their free time. It has arranged a series of links with overseas companies to bring out "virtual reality" games, a genre that Sega is betting will represent the next big wave in video entertainment.
Virtual reality refers to computer-generated environments in which people feel they are moving and interacting with three-dimensional

images. Gloves, goggles and sometimes special clothing are used to achieve the effect.
"Sega Enterprises will be one of the best companies in this market," said Yumaka Sugiyama, director of research at UBS Securities, adding that it was in the best position to shape the game industry of the future.
The industry is already relatively healthy. Computer-game operators tend to do well

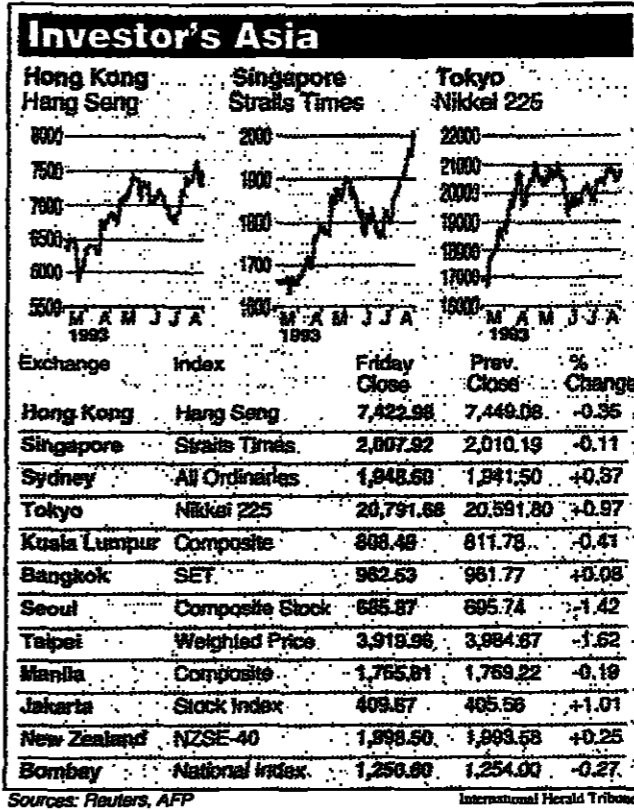
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The industry is already relatively healthy. Computer-game operators tend to do well

A virtual-reality center in Las Vegas will offer simulated undersea diving, car races and airplane dogfights, among other adventures.

when consumers worry about their spending, as visits to amusement parks and game arcades look economical when compared with skiing trips or other major vacations.
And as the business booms, Sega forges ahead. "VirtualLand," a virtual-reality center at the Lazer resort in Las Vegas, will open next year in a partnership with Circus Circus Inc. Games planned for the 20,000 square foot (1,800 square meter) facility simulate under-

Economic Gloom And Weather Woes Wash Over Japan

Compiled by Our Staff From Dispatches
TOKYO—Japan released a series of economic reports Friday that were as dismal as the weather.
As another typhoon poured torrential rain on the country, employment data showed job opportunities continuing to shrink, inflation edged up to almost a one-year high and retail sales declined for the 14th consecutive month.
Although the July jobless rate was 2.5 percent, the lowest among economic powers and unchanged for three months, the jobs-to-applicants ratio fell to 0.72 from 0.74 the previous month, meaning there were only 72 jobs for every 100 applicants. It was the lowest ratio since August 1987.
Without adjustment for seasonal factors, the number of unemployed people in July totaled 1.59 million, unchanged from June but almost 20 percent more than the 1.33 million total a year earlier.
Prime Minister Morihiro Hosokawa, speaking in parliament, promised measures to expand government subsidies to smaller companies so that they could retain more workers.
Meanwhile, consumer-price inflation in the Tokyo area accelerated to 2 percent in August from a year earlier, the highest since September 1992. Prices in July rose a revised 1.6 percent.
Fresh vegetables led the rise, leaping 40.3 percent from a year earlier because of crop losses to a series of typhoons and cool summer weather.
Core inflation — the consumer-price index minus fresh-food prices — fell to a 1.1 percent annual rate in August from 1.4 percent in July. The economic slump has helped push down prices of durable goods, textiles and processed food.



Offer Price Forecast for Japan Rail

TOKYO—East Japan Railway Co. shares, which will be publicly listed in October, will be priced Monday, and brokers said Friday that the strong response to their sale might revive the stock market.
Brokers expect the offering price for JR East to be around 379,800 yen (\$3,622), the weighted average of all the bids early this month.
On Thursday, Japan National Railway Settlement Corp., the state-owned body which currently holds all JR East shares outstanding, said bids had ranged as high as 623,000 yen. But brokers said 379,800 yen was close to the limit most investors were willing to pay.

Taipei Weighs Buying More From China

TAIPEI—Taiwan, seeking to expand trade ties with China and sharpen its competitive edge, is considering a proposal to permit imports of all semi-finished goods from China, the Economics Ministry said on Friday.
A ministry spokesman said the proposal, made by an advisory committee, would soon be submitted to the minister, Chiang Pin-kung.

Taiwan now allows imports of about 700 items from China, including semi-finished goods such as machinery components and textile materials as well as industrial raw materials and farm produce.
That figure is expected to jump to around 1,500 items by the end of this year as Taiwan, which has restricted economic contact with China since the end of the civil war in 1949, continues to ease curbs

and persuade
Mr. Chuang said allowing more imports of semi-finished goods from China would increase the international competitiveness of Taiwan's exporters, and persuade

not to move manufacturing operations to China.
Opening further to Chinese imports would also cut Taiwan's huge trade surplus with China, which accounts for an increasing proportion of the island's overall surplus, Mr. Chuang said.
Last year, Taiwan had a surplus of \$5.16 billion with China out of two-way trade through Hong Kong of \$7.4 billion.

Japan to Act On Satellite TV

TOKYO—Japan is considering easing curbs on satellite communications and broadcasting as part of the new coalition government's drive for economic deregulation, the posts and telecommunications minister said Friday.
Takekazu Kazaki said his ministry was considering allowing Japanese telecommunications companies to use medium commercial satellites. At present, they may use only satellites owned by IntelSat.
The ministry also is reviewing its curbs on Japanese TV companies rebroadcasting foreign programming received by satellite.

FORTUNE: Stakes in Shanghai

Continued from Page 1
2,000 more seats, which will bring the total to 2,600.
The draw Saturday will be followed by several more this year, and similar lotteries will be organized in cities and provinces across China. About 30 billion yuan in new stocks will be issued during the year.
The present lottery system was devised after several embarrassing failures that threatened to derail China's experiment with stock markets.
Shanghai priced last year's lottery tickets far too high, and so few were sold that they virtually guaranteed holders the right to buy out-price stock on the primary market. The result was that tickets bought for 30 yuan were changing hands on the black market at up to 30 times their face value.

INDIA: Liberating the Economy

Continued from Page 9
effort to extend the safety net to the very poor, output growth stayed ahead of the population explosion and mass famine became no more than an ugly memory.
That is not saying much, though, in comparison with the economies of East Asia. "It was not a disaster," Stanley Fischer, former chief economist at the World Bank, said.
There were inklings of change in the mid-1980s as the administration of Rajiv Gandhi responded to complaints about red tape and the material yearnings of the middle class. In fact, the decade of the 1980s had the highest growth rate of any since independence.
But half-measures proved unsustainable. Ballooning budget deficits, accompanied by mounting foreign debts, forced India to seek help from international lending agencies. The price exacted by the World Bank and the International Monetary Fund was a commitment

BHP: Australian Conglomerate Looks Afar for Growth

Continued from Page 9
dollars on sales of 16.7 billion dollars, a rise of 132 percent from the year earlier.
Excluding exceptional items, the profit increase was a more modest 20 percent, to 991 million dollars.
Nonetheless, analysts are generally impressed by BHP's strong balance sheet, growth potential and ability to make money at a time when prices for many of its basic products are depressed.
Mr. Prescott said that in the next few years the company expects to benefit from a cyclical upturn in the world economy.
He added that this would be "reinforced by an increasing number of major capital projects in all our core businesses — steel, minerals and petroleum."
Shortly after the annual results were announced on June 25, Bruce Rolph, equity research analyst in the Sydney office of Salomon Brothers Inc., advised clients to buy shares in BHP, saying the group offered "excellent long-term value as one of the world's major diversified mining and industrial companies."
Other foreign and local brokers were also bullish on BHP. Since June 24, the stock has risen by more than 15 percent.
In Australia on Friday, BHP shares closed at a record high of 16 Australian dollars, up 22 cents.

Very briefly:

- Matsushita Electric Industrial Co. called 4,000 senior managers to an extraordinary meeting Sept. 4. Japanese press reports said the strong yen and the slump in the consumer-electronics industry would be discussed.
- The Tokyo Stock Exchange fined Cosmo Securities Co. 25 million yen (\$238,400) for stock-trading practices that led to a loss of about \$700 million and a bailout of the company by Daiwa Bank.
- PT Astra International said after-tax profit rose 50 percent in the first six months. The automotive and industrial concern's shareholders also approved the nomination of Abdul Rahman Ramly, a former ambassador to the United States, as its chairman.
- China and Thailand signed 12 commercial agreements valued at \$1 billion during Thai Prime Minister Chuan Leekpai's visit to Beijing.
- Mitsubishi Motors Corp. will stop supplying one-ton pickup trucks to Chrysler Corp. next year because of higher prices on the Mitsubishi vehicles caused by the yen's sharp rise.
- Nippon Credit Bank, Sumitomo Trust Bank, Long-Term Credit Bank of Japan, Mizui Trust Bank and Sumitomo Life Insurance said they would cut their long-term prime rates to a record low of 4.8 percent from 5.0 percent, effective Wednesday.

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AMEX

Friday's Closing

| 12 Month High | Low | Stock | Div | Yld | PE | 100s | High | Low | Latest | Chg |
|---------------|--------|-----------|------|-----|------|------|--------|--------|--------|-------|
| 110.00 | 108.00 | IBM | 3.20 | 2.9 | 15.2 | 100 | 110.00 | 108.00 | 109.00 | +1.00 |
| 100.00 | 98.00 | Microsoft | 0.00 | 0.0 | 18.0 | 100 | 100.00 | 98.00 | 99.00 | +1.00 |
| 80.00 | 78.00 | Apple | 0.00 | 0.0 | 20.0 | 100 | 80.00 | 78.00 | 79.00 | +1.00 |

| 12 Month High | Low | Stock | Div | Yld | PE | 100s | High | Low | Latest | Chg |
|---------------|--------|--------|------|-----|------|------|--------|--------|--------|-------|
| 120.00 | 118.00 | Intel | 0.00 | 0.0 | 25.0 | 100 | 120.00 | 118.00 | 119.00 | +1.00 |
| 90.00 | 88.00 | Oracle | 0.00 | 0.0 | 22.0 | 100 | 90.00 | 88.00 | 89.00 | +1.00 |
| 70.00 | 68.00 | Sun | 0.00 | 0.0 | 20.0 | 100 | 70.00 | 68.00 | 69.00 | +1.00 |

| 12 Month High | Low | Stock | Div | Yld | PE | 100s | High | Low | Latest | Chg |
|---------------|--------|----------|------|-----|------|------|--------|--------|--------|-------|
| 150.00 | 148.00 | Motorola | 0.00 | 0.0 | 18.0 | 100 | 150.00 | 148.00 | 149.00 | +1.00 |
| 130.00 | 128.00 | Qualcomm | 0.00 | 0.0 | 15.0 | 100 | 130.00 | 128.00 | 129.00 | +1.00 |
| 110.00 | 108.00 | Lucent | 0.00 | 0.0 | 12.0 | 100 | 110.00 | 108.00 | 109.00 | +1.00 |

| 12 Month High | Low | Stock | Div | Yld | PE | 100s | High | Low | Latest | Chg |
|---------------|--------|----------|------|-----|------|------|--------|--------|--------|-------|
| 180.00 | 178.00 | AT&T | 0.00 | 0.0 | 10.0 | 100 | 180.00 | 178.00 | 179.00 | +1.00 |
| 160.00 | 158.00 | Verizon | 0.00 | 0.0 | 8.0 | 100 | 160.00 | 158.00 | 159.00 | +1.00 |
| 140.00 | 138.00 | WorldCom | 0.00 | 0.0 | 6.0 | 100 | 140.00 | 138.00 | 139.00 | +1.00 |

| 12 Month High | Low | Stock | Div | Yld | PE | 100s | High | Low | Latest | Chg |
|---------------|--------|-------------|------|-----|-----|------|--------|--------|--------|-------|
| 200.00 | 198.00 | Comcast | 0.00 | 0.0 | 5.0 | 100 | 200.00 | 198.00 | 199.00 | +1.00 |
| 180.00 | 178.00 | Time Warner | 0.00 | 0.0 | 4.0 | 100 | 180.00 | 178.00 | 179.00 | +1.00 |
| 160.00 | 158.00 | News Corp | 0.00 | 0.0 | 3.0 | 100 | 160.00 | 158.00 | 159.00 | +1.00 |

هكذا من الأصل

THE MONEY REPORT

FIRST COLUMN

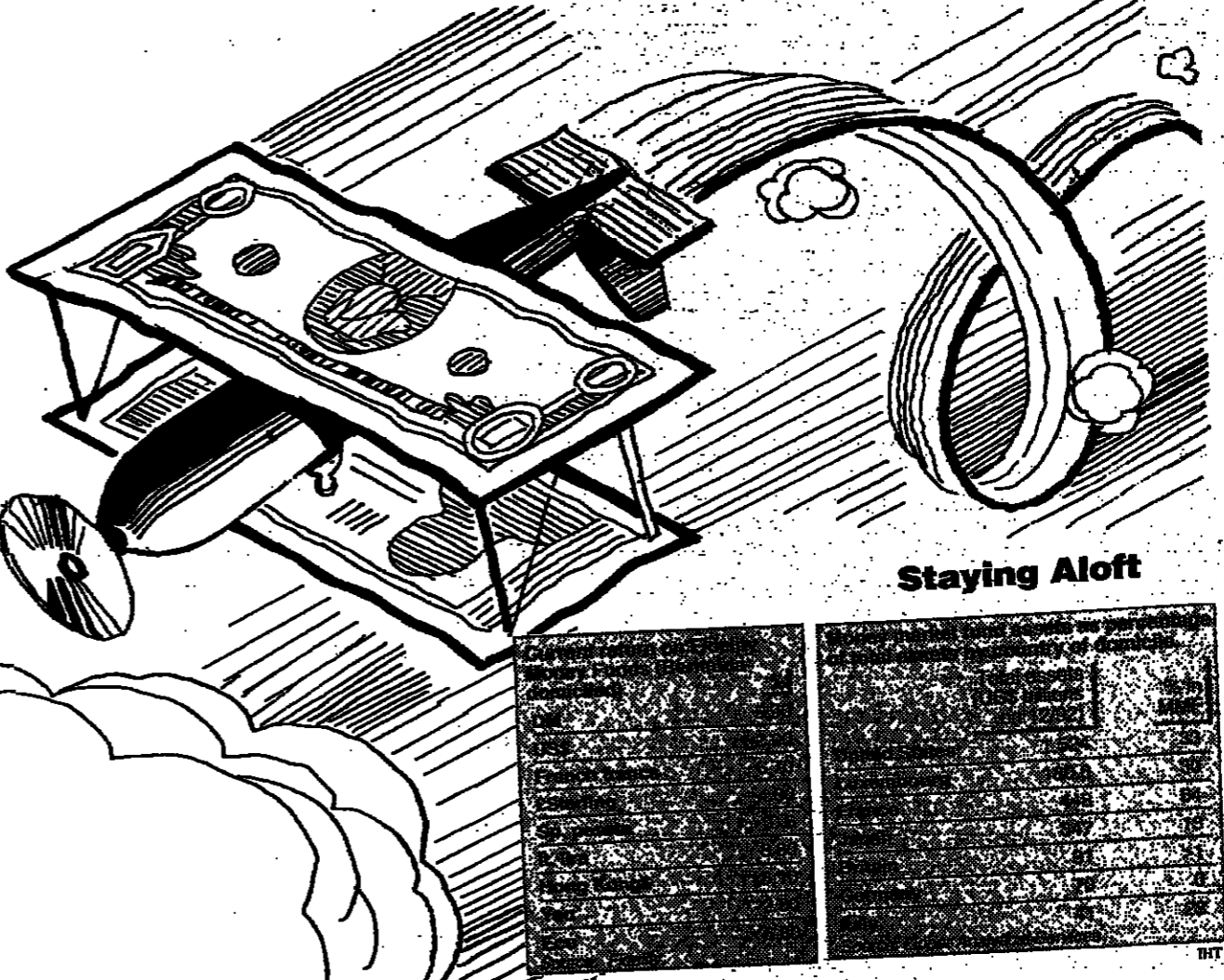
Euphoria's Aftermath: Falls in Fall?

THE world's markets are rejoicing. In the United States, Canada, the United Kingdom and Spain, new stock index highs have been achieved this week. The party is being thrown to celebrate the triumph of one sector of democratic capitalist society (namely the untrammelled forces of capitalism, the markets themselves) over another (the central planners and the bureaucrats).

Lower Interest Rates Force Tough Choices

WHAT's in an interest rate? The answer would seem to be quite a lot, judging from the manic manipulation of short-, medium- and long-term rates by governments and central banks. The intention behind the dramatic falls and rises in interest rates has usually been to persuade the foreign exchange markets to buy one currency rather than another.

The downside is that things can just as easily turn sour. Deposit accounts are full of investors whose fingers were burned in the 1987 crash and who do not wish to repeat the experience.



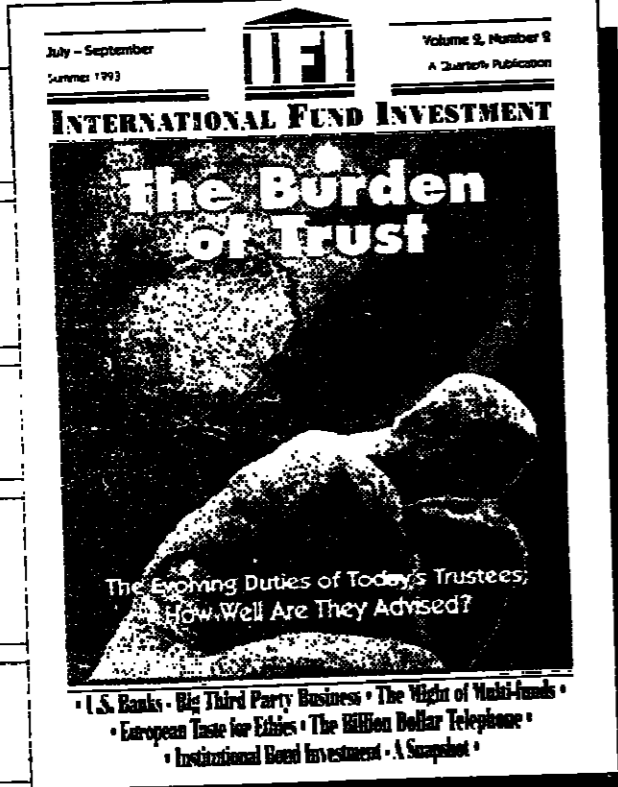
Staying Aloft

actly the same thing. By moving out further than the banks in terms of maturities, you can achieve a better rate without necessarily taking more risk.

risk simply involves investing in the same currency in which the income is drawn.

ing to an end. "There's still hope for bonds, but now they're probably into the final stages of a fairly long bull market in Europe."

THE CENTRAL SOURCE ON FUND INVESTMENT



"I found it to be of great interest." Gilbert de Botton - Chairman - Global Asset Management.

I.F.I. is the one and only publication devoted to providing unbiased coverage of this fast developing sector of the financial world.

Traveling on the Hole-in-the-Wall Plan

NEWS from Europay International, which has announced the establishment of a further 800 Automated Teller Machines (ATMs) in Italy this summer, are in itself remarkable.

So, why is it that thousands of tourists around the world are expected to—and still do—pay for goods and services with cash and travelers checks? Both, it could be argued, are increasingly outmoded forms of money.

Cash, for all its security drawbacks, is still an essential for the traveler. Ask anyone arriving in a small country late at night.

BRIEFCASE

Emerging Market Guide: Exotica and Opportunities. Seekers of investment exotica—and high yields—may want to check out a new publication that identifies fixed-income opportunities like Moroccan government paper yielding 10.5 percent, tax-free.

Fleming Plans to Launch Fund for China Investment. Fleming Investment Trust Management is planning to launch a fund investing in China late next month.

Offshore India Fund Aims At International Audience. India, once unexplored territory for the international investment community, is now firmly on the map.

Subscription form for I.F.I. magazine, including fields for name, address, and payment options.

THE MONEY REPORT

Oil Shares Gush on Market Rally

By Rupert Bruce

THE August rally that has seen several equity markets in Europe, North America and Asia hit record highs has touched even the most unpromising industrial sectors...

Best Performing Energy Funds

Table with 2 columns: 'Over one year to Aug. 23, 1993' and 'Over five years to Aug. 23, 1993'. Lists various energy funds with their respective values.

Tax Consequences of the Sale of Your Home

Table with 8 columns: Gain is tax deductible, Gain is not tax deductible, Loss is tax deductible, Loss is not tax deductible, Transaction of gain is postponed, Gain is taxable, Loss is tax deductible, Loss is not tax deductible.

Expatriate Dilemma: To Sell or Not to Sell?

By Jack Anderson. EXPATRIATES usually base their decision to accept employment in another country on the career and financial opportunities...

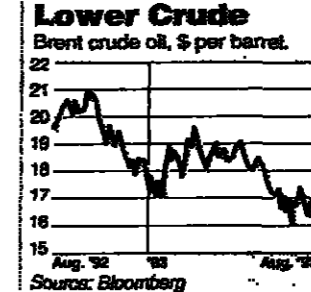
Clearly, the best way for Don to ensure that his home remains his principal residence is to move back into it before it is sold...

Renting of the home before sale does not necessarily make it an investment property under the tax rules.

Let's look at the choices and consequences in the hypothetical case of Don Robin, an American oil executive who has been transferred to Indonesia...

Lower Crude

Crude oil, \$ per barrel. After being given an idea of how the fields are going to perform and what the operating costs and capital expenditure will be...



Playing Fast and Loose With Derivatives

By Michael D. McNickle. IT is possible to manipulate the stock market? Not just to manipulate the price of an individual issue...

Mr. Beirne compares the most basic kind of market manipulation to a scenario in which a company with shares currently being traded on an exchange decides to offer a large block of additional shares to the market...

Deferring Taxable Gain on Sale of Home

Table showing calculations for gain on sale and taxable gain. Includes sales price of old home, closing costs, and purchase price of new home.

Although Don's company was to cover part of the housing costs, he still needed financial assistance to keep his U.S. home...

As mentioned above, the cost of the new residence must be equal to or exceed the sales price of the old residence, or there is a currently taxable capital gain...

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Advertisement for offshore companies with a list of countries and services offered. Includes UK LTD, U.K. PLC, BAHAMAS, etc.

Advertisement for 'No. 1 OFFSHORE COMPANY SPECIALISTS' listing various international services and contact information.

Large advertisement for the Volvo 850 sedan, featuring an image of the car and text highlighting its tax-free price and availability in Japan and the USA.

Advertisement for 'TOP FUNDS' featuring the North Star fund, with details on investment performance and contact information.

Advertisement for 'To our readers in Germany' providing subscription rates and contact details for the publication.

SPORTS BASEBALL

Rookie Left-Hander Helps Pull Yankees Even With Jays

Royals, too, Get a Boost From a Call-Up

The Associated Press
No one could fault Sterling Hitchcock and Mike Magnante if they were a little overwhelmed by their new surroundings.

AL ROUNDPUP

and Omaha before finding themselves called up to major-league clubs in the thick of the American League divisional races.

Reliever Uses Bat to Lift Marlins

The Associated Press
Chris Hammond, a pitcher, became a pinch hitter; Benito Santiago, a catcher, played left field, and Richie Lewis, a reliever, was a hero with his bat as the Florida Marlins beat the Houston Astros, 5-4, in 13 innings on Thursday in Miami.

NL ROUNDPUP

two-out single down the left-field line to score Rich Renner from second with the winning run.

The 22-year-old Hitchcock, promoted for a spot start in place of Scott Kamieniecki, who is injured, gave up seven hits, walked three and struck out three.

"It's a lot of fun to look around, see the guys excited, and know the importance of what's going on here," Hitchcock said. "A win is a win, but a win in the middle of a pennant race — it's a great way to get your first one."

Cleveland's Bob Ojeda, in the most effective outing of his comeback, matched zeroes with Hitchcock for six innings, but the Yankees quickly went ahead after Ojeda was replaced in the seventh.

Kevin McReynolds and Greg Gagne provided the offensive support with four of the five Royals' hits off Willie Banks.

Mariners 6, Blue Jays 3: In Seattle, Ken Griffey Jr. took over the major-league lead with his 38th and 39th home runs and Mike Blowers also hit a pair. It was Griffey's second straight two-homer game and his fifth this year.

Randy Johnson improved his record against Toronto to 3-0 this year, allowing nine hits, striking out eight and walking one in eight innings. He increased his major league-leading strikeout total to 234.

Red Sox 3, Rangers 1: Boston's six-game losing streak and Texas's four-game victory string both came to an end in Arlington, Texas. Frank Viola allowed four hits in 7 1/2 innings. The Rangers had scored 38 runs in their previous four games, but they couldn't get their offense going against Viola.

Orioles 9, Angels 4: Harold Baines tied the game with a two-run homer in the seventh, and the Orioles scored five more runs in the eighth against visiting California.

Brewers 5, Athletics 3: In Milwaukee, Angel Miranda pitched eight shutout innings and Juan Bell and Kevin Seitzer homered as the Brewers completed their first-ever four-game sweep of Oakland.

No Agreement at Talks

Representatives of baseball and the players association met to discuss the proposed expanded playoffs for next season, but no agreement was reached and none is expected for at least two months.

The meeting was described as very preliminary as the two sides exchanged ideas, a spokesman for the owners said. Donald Fehr, the union's executive director, said the decision could take up to three months.

The players have proposed three division winners and a wild-card team in each league starting in 1994.

For next season, at least, the owners are leaning toward four division winners and four second-place teams making the playoffs. Fehr said last week that the chances were "very small" that players would agree to the owners' idea, but the union is open for negotiations.



Despite his pleading, the Indians' Albert Belle was emphatically called out by the umpire after a tag by New York's Wade Boggs at third.

Italian Crashes In Practice for Belgian Prix

The Associated Press
SPA-FRANCOR-CHAMPS, Belgium — The Italian Formula One driver Alessandro Zanardi crashed badly on Friday after he lost control of his Lotus-Ford during practice for the Belgian Grand Prix but escaped without serious injury.

Zanardi, 26, was knocked unconscious during the accident, which left only the protective cockpit of his car intact. He was immediately flown to a hospital in nearby Liege, said a Lotus team spokeswoman, Anita Smith.

"He is very bruised and stiff but a brain scan showed he is O.K.," she said. "There is nothing broken."

The accident happened early Friday during the unofficial practice session, at the end of the Raidillon section — a blind, uphill curve that drivers take at about 280 kilometers (170 miles) per hour. Zanardi started spinning at the end of the curve and slammed into the railings at high speed, spreading wheels, engine and other debris across the track.

Later, Damon Hill captured the provisional pole position ahead of Alain Prost, his Williams-Renault teammate, who leads the world standings.

Coleman Will Never Play Again as a Met, Team Owner Vows

The Associated Press
NEW YORK — Vinco Coleman, facing a felony charge after throwing a powerful firecracker at fans, is finished with the New York Mets.

Coleman will never play for the Mets again. Coleman will remain on "administrative leave" — in effect, suspended with pay — until his arraignment Oct. 8 in Los Angeles on a felony charge of possession of an explosive device.

Coleman still has one year left on a four-year, \$12 million contract, but Wilpon did not say how the Mets will get rid of him after the season.

"We have the right to act — release him, trade him or fight him on the contract," Wilpon said. "It's in the best interest of the Mets that he never wear a Mets uniform again, even if he is cleared of the criminal offense. He'll not play here again as a Met."

problems on and off the field in the worst season of the 32-year-old franchise.

Coleman signed with the Mets as a free agent on Dec. 5, 1990, shortly after Darryl Strawberry left the team for the Los Angeles Dodgers.

49ers' Young Fights Not Only Injury, but Montana's Shadow

By Tom Friend
New York Times Service
SANTA CLARA, California — It is not certain which thumb 49ers fans mourn more: the one Steve Young fractured or the one Joe Montana used to hitchhike out of town. Based on the popular bumper sticker circulating here, "I miss Joe," Montana probably gets the thumbs-up.

Young's injury compounds matters. If he cannot play, he cannot make people forget the previous regime. He is clearly trying to rectify that and has told Seifert he can play in the opener.

Montana, is intent on not rushing his main offensive weapon. For one, the right side of the offensive line — which protects Young's blind side — is in disarray.

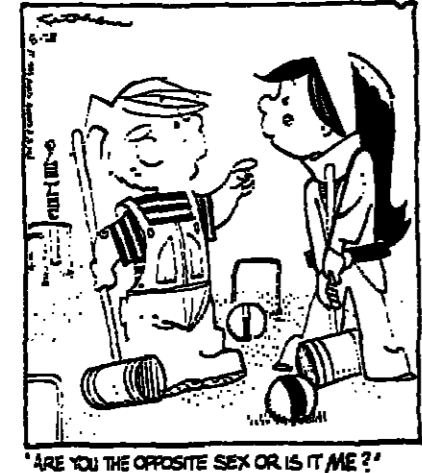
On the last Monday night game of 1991, Musgrave was a late substitute in a 49ers-Bears game that San Francisco led, 45-14. He called an audible and threw a touchdown bomb as Ditka seethed.

But Musgrave was 1 for 6 for zero yards last Saturday in Seattle, and could lose the Pittsburgh assignment to Grbac, a Michigan rookie, if he again looks inept in Saturday's preseason finale against San Diego.

Coleman signed with the Mets as a free agent on Dec. 5, 1990, shortly after Darryl Strawberry left the team for the Los Angeles Dodgers.

SIDELINES
Dennis the Menace
Peanuts
Calvin and Hobbes
Wizard of Id
Beetle Bailey
Doonesbury
Garfield

DENNIS THE MENACE



PEANUTS



CALVIN AND HOBBES



WIZARD of ID



BEETLE BAILEY



REX MORGAN



GARFIELD



JUMBLE

THAT SCRAMBLED WORD GAME

GRABE

KLAYN

HIGLES

TIPACK

Print answer here: _____

BLONDIE



DOONESBURY



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SPORTS TENNIS

Slashed From the Top of Her Game, Seles Vows to 'Start All Over'

By Robin Finn
New York Times Service

SARASOTA, Florida — At the Meadows Racquet Club here, Monica Seles used to perfect the tennis strokes that made her the most dominant player of this decade. But until this late-summer day, Monica hadn't been here for months, because "Monica doesn't play tennis anymore, not since a damaged German man stabbed her in the back four months ago in Hamburg, and later claimed a fraudulent conviction to Seles' Graf, then No. 2, as his reason for trying to ruin Seles' career.

The tangible evidence of this is her inability even to swing a tennis racket yet, despite daily therapy at the Steadman-Hawkins Clinic in Vail, Colorado, not to mention Graf's usurpation of the No. 1 ranking along with both Grand Slams played since Seles was attacked.

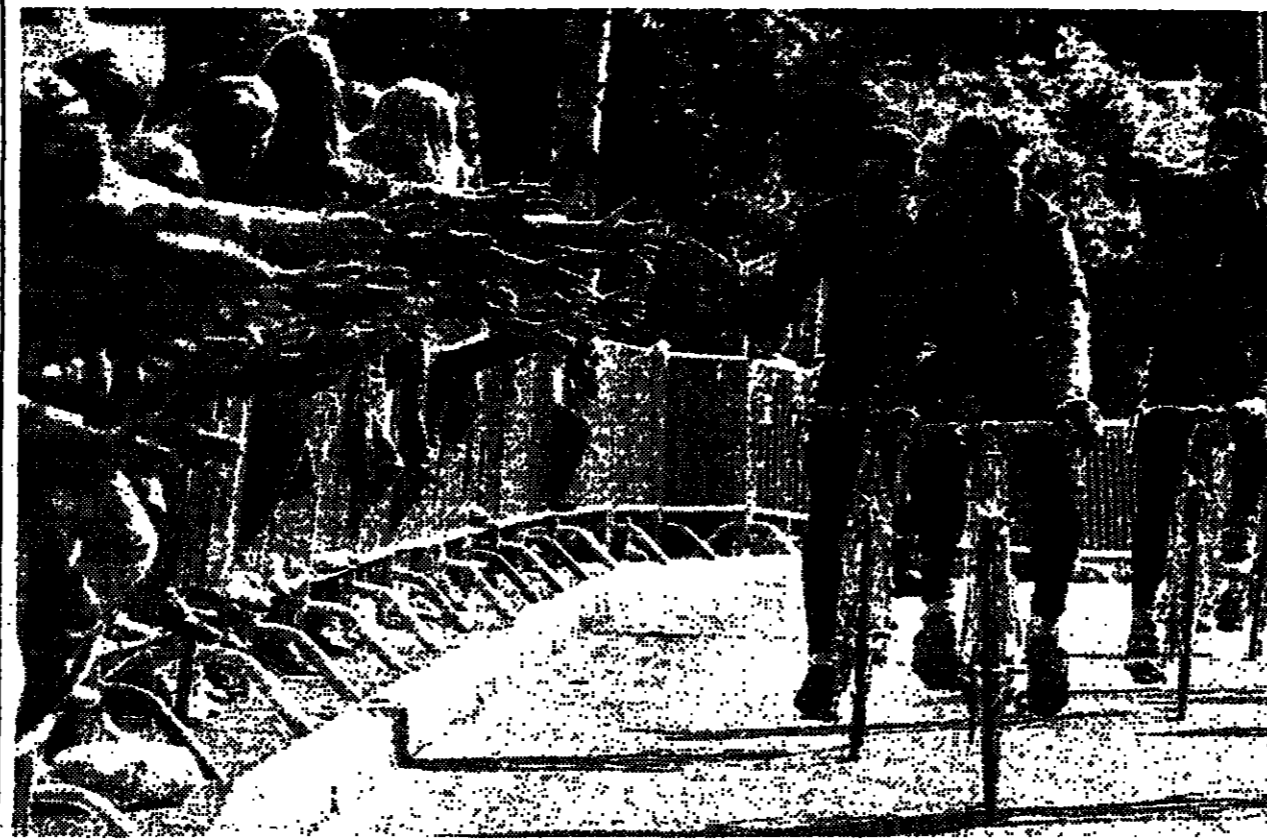
into teary incredulity. For Seles, life from now on will forever be demarcated by a single, heinous event: There is before and after Hamburg, when she was on top of the world, and there is after Hamburg, when she thinks that the world, with the exception of her family, has virtually turned against her.

She has spent her summer far from her home at this private club, and farther still from the pandemic life she has lived since she joined the professional circuit at 15 and at 16 became the youngest Grand Slam winner of the century when she captured the 1990 French Open.

to compete in the 1994 Australian Open, where she will pursue a fourth consecutive title. "And I'll prove him wrong," she said of her assailant.

UEFA May Bypass French Federation

GENEVA — European football's governing body, UEFA, threatened on Friday to bypass French soccer authorities and ban Olympique Marseille, the Champions' Cup holders, from the coming cup competition.



GIVING THEM A HAND — Amateur Italian cyclists riding past spectators during practice on Friday for the world road-racing championships in Oslo. The amateurs and women were to compete on Saturday, with the men's professionals racing on Sunday. Tony Rominger of Switzerland, among the favored professionals, was forced to drop out on Friday because he has tonsillitis.

Court Orders Mobil To Pay Reynolds

ALEXANDRIA, Virginia — The American sprinter Butch Reynolds will get nearly \$700,000 from Mobil Corp., a primary sponsor of the International Amateur Athletic Federation, a U.S. federal magistrate ruled Friday.

SIDELINES

Burrell Defeats Christie in Berlin

BERLIN (Reuters) — Leroy Burrell of the United States edged Linford Christie of Britain, the Olympic and world champion, on Friday by one hundredth of a second to win the 100 meters at the Berlin grand prix athletics meeting.

Langer One-Shot Leader in Germany

DUSSELDORF (Combined Dispatches) — Bernhard Langer celebrated his 36th birthday on Friday by threatening to run away with the German Open during the second round before settling for a one-stroke lead at 9-under-133.

Maradona Wasn't Rejected, U.S. Says

BUENOS AIRES (Combined Dispatches) — U.S. authorities here said that the embassy did not deny the Argentine soccer star Diego Maradona entry visas.

Tyson Attorneys Again Seek Appeal

INDIANAPOLIS (AP) — Attorneys for the former heavyweight boxing champion Mike Tyson has filed motions asking the Indiana Supreme Court to review his rape conviction.

For the Record

Lloyd Bloom, 36, a former sports agent who was at the center of a major college sports scandal, was found shot to death Thursday at a house in Malibu, California.

Quotable

Arnold Palmer, on how to take five strokes off your golf game: "It's called an ulcer."

SCOREBOARD

BASEBALL

Table with columns for Major League Standings, American League, and National League, listing teams and their records.

Thursday's Line Scores

Table listing baseball game results for Thursday, including team names and scores.

FOOTBALL

Table listing football game results for Thursday, including team names and scores.

NFL Preseason

Table listing NFL preseason game results.

TRANSACTIONS

BASEBALL: CLEVELAND—Pined Rick Adair, pitching coach. Named Don OHM interim pitching coach.

ESCORTS & GUIDES

INTERNATIONAL CLASSIFIED (Continued from Page 4)
GENEVA SCANDINAVIA... LONDON & PARIS... MERCEDES... ZURICH...

ESCORTS & GUIDES

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ESCORTS & GUIDES advertisement: INTERNATIONAL CLASSIFIED (Continued from Page 4) listing various travel services and agencies.

سكزا من الأمل

DAVE BARRY

See It All on Videotape

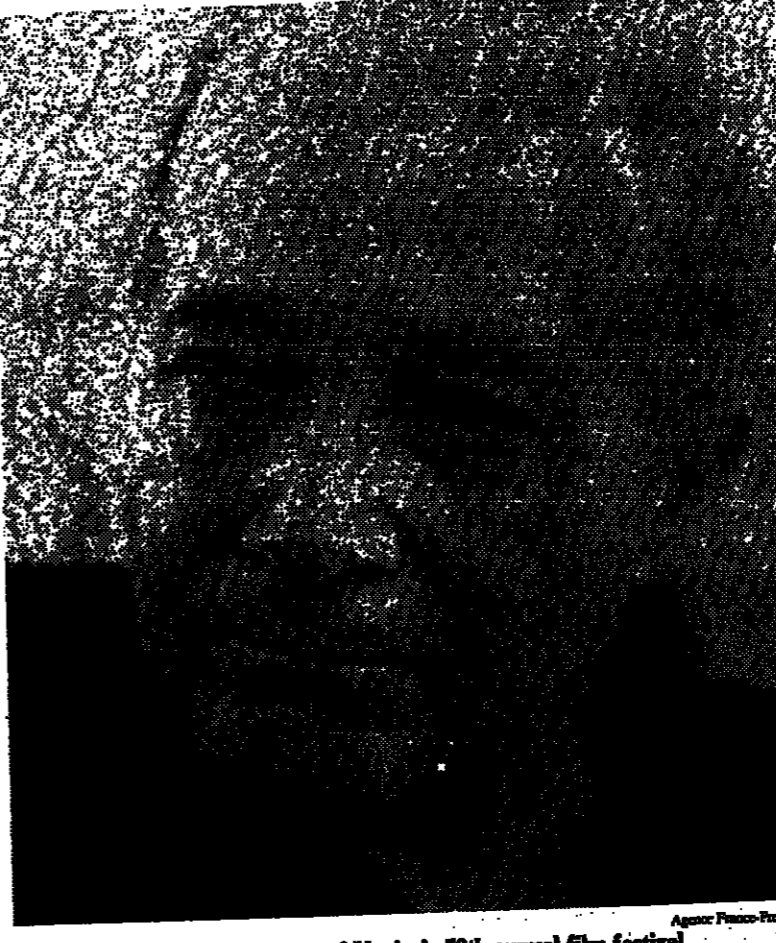
M IAMI — If you're looking for a family vacation that involves watching enormous quantities of water go off a cliff, you can't beat Niagara Falls. We went there recently with several other families, and our feeling of awe and wonderment can best be summed up by the words of my friend Libby, who, when we first beheld the heart-stopping spectacle of millions of gallons of water per second hurtling over the precipice and thundering into the mist-enshrouded gorge below, said: "I have to tinkle." The falls have been existing this magical spell ever since they were discovered thousands of years ago by Native Americans, who gave them the name "Niagara," which means "Place Where There Will Eventually Be Museums Dedicated, for No Apparent Reason, to Frankenstein, John F. Kennedy, Harry Houdini and Elvis." And this has certainly proved to be true, as today the area around the Falls features an extremely dense wad of tourist attractions. In addition to the museums (both wax and regular), there is a place where you can see tiny scale models of many world-famous clocks; plus of course miniature golf courses, houses of horror and countless stores selling souvenir plates, cups, clocks, knives, spoons, folding chairs, tooth brushes, toenail clippers, hats, T-shirts, towels, boxer shorts and random slabs of wood, all imprinted with what appears to be the same blurred, heavily colored, depicting some object that could be Niagara Falls, or could also be hamsters mating.

DAVE BARRY

The Film Festival Merchant of Venice

By Ken Shulman

R OME — Although his mind is slightly numbed from having viewed nearly 200 films over the past three months, Gillo Pontecorvo has managed to preserve his personal vision for the 50th Venice Film Festival. "I'd like to recreate the climate that I remember here when I was a boy," says the 73-year-old director who won the Golden Lion at Venice in 1966 with "The Battle of Algiers."



Gillo Pontecorvo, new director of Venice's 50th annual film festival.

hazard. When casting "Queimada," Pontecorvo insisted on Marlon Brando for the part of the English seaman Sir Williams, even though his producers at United Artists thought Steve McQueen was a better box office draw. And Brando responded with one of the finest performances of his career. For the role of the black rebel leader, Pontecorvo once again balked at the studio's choice, Sidney Poitier. "Sidney Poitier is an excellent actor," Pontecorvo explains. "He just didn't have the right face."

PEOPLE

Wedding for Spike Lee? Silence on All Fronts

Lips are zipped about reports that Spike Lee will marry Tonya Lee-Lewis, 32, a Washington lawyer. The New York Post reported that the two, seen together frequently at basketball games, plan to marry Oct. 2 in New York. But a call to the film director's production company yielded only this: "We have no information to give about Spike's private life."

Doctors granted Mother Teresa a wish for her 83rd birthday and discharged her from the hospital on Friday. She had been in the New Delhi hospital for a week with malaria fever.

A rare early recording by the Beatles, made in the Cavern Club in Liverpool, has sold for \$5,000 (\$9,000) at Christie's in London. The double-sided acetate disc, made in 1962, featured the group performing "Some Other Guy" and "Kansas City/Hey Hey Hey!" "I thought the record had disappeared years ago with various house moves. Luckily, my brother had lent it to a friend," said the seller, Owen Mould of Wales. "Some years ago, he took it to a shop in Brighton for me and was offered £14." A feather-trimmed negligee worn by Madonna sold for \$11,000.

A nap in public. A previously unobserved paller in her complexion. As far as Japan's royal-watching tabloids are concerned, it can only mean one thing: Crown Princess Masako is pregnant. But the palace says such hopes are premature. Masako and Crown Prince Naruhiko were married in June.

After three days of visiting Florida tourist attractions, Princess Diana and her sons, William and Harry, are off to a secluded resort in the Bahamas. They will stay at the vacation home of the Menzies family near Nassau. Diana's close friend Kate Menzies is one of those accompanying the royals on their vacation.

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 7

WEATHER

Weather forecast tables for Europe, Asia, Africa, North America, Middle East, Latin America, and Oceania. Includes temperature and precipitation data for various regions.

THIS WEEKEND AT THE BEACH

Weekend beach weather forecast tables for Saturday and Sunday, covering Europe and Middle East, Caribbean and West Atlantic, and Asia/Pacific regions.

If you're going to travel all over the map, here's how to call from almost any point on it.



AT&T Access Numbers table listing international phone numbers for various countries including Andorra, Armenia, Austria, Bahrain, Belgium, Bulgaria, Cape Verde Islands, Croatia, Cyprus, Czech Republic, Denmark, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Malaysia, Mexico, Monaco, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russia, Saudi Arabia, Singapore, Slovakia, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, United Kingdom, USA, and Zimbabwe.

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